

Testimony of George Caan, Executive Director**Colorado River Commission of Nevada****Before the House Resources Committee****Subcommittee on Water and Power****December 10, 2001****Las Vegas, Nevada****Introduction**

Chairman Calvert, I thank you for the invitation to testify today. My name is George Caan and I am Executive Director of the Colorado River Commission of Nevada. This is your second hearing on important issues relating to the Colorado River. It has been some time since a Committee of the Congress was interested enough in the Colorado River to convene successive hearings such as these. Thank you for the leadership you have shown during your tenure as Chairman of the Water and Power Subcommittee and for holding this hearing in Las Vegas.

For over a decade, the Colorado River Commission of Nevada and Southern Nevada Water Authority who is responsible for all water resource planning and acquisition for southern Nevada purveyors, have aggressively pursued a strategy to augment Nevada's minuscule 300,000 acre foot entitlement to Colorado river water. As the fastest growing community in the nation, we recognized that although our successful water conservation and wastewater reuse programs would only serve to stretch our supplies, additional water resources are critical for our survival.

In Nevada we have learned that we cannot solve our own problems without being involved in helping to solve those in the other Colorado River basin states. This is especially true for California which consumes the largest share of the Colorado River. For that reason we have labored for almost a decade with the other basin states through countless meetings to achieve consensus among the seven basin states around solutions which are innovative and bold and still preserve the underlying fabric of the Law of the River.

I want to point out at the outset that this has been a state driven process. We have appreciated the support and encouragement of the Interior Department, the solutions which have evolved all had their genesis within the seven state process and not in Washington.

Interim Surplus Criteria and the California 4.4 Plan

Possibly the most difficult issue we have faced is the need for California to ween itself away from overuse of the Colorado and live within its 4.4 million acre foot entitlement. This will require nearly 800,000 acre feet reduced deliveries from the amount California has been regularly using. The seven states developed a proposal which allows California an assured water supply for the next fifteen years during which time it must make substantial progress with periodic milestones to reduce its use of Colorado River water. This assured supply comes in the form of what we call Interim Surplus Criteria, which in layman's terms means that all the states agree to allow the Secretary of the Interior as water master for the lower basin, to declare each year for the next fifteen years, that there is enough surplus water in the reservoirs to release an extra

amount above the lower basin's entitlement of 7.5 million acre feet. The surplus amount that is to be released each year depends upon the elevation of Lake Mead.

This remarkable plan was signed by the Secretary of Interior last January and for the first time schedules the delivery of this additional water based upon type of uses, with Municipal and Industrial needs first, then agriculture, rather than on the old western water law doctrine of prior appropriation or put another way, first in time is first in right.

Nevada benefits significantly from these surplus deliveries. Because we are an M&I delivery, the Interim Surplus Criteria will all but ensure an adequate water supply for all of southern Nevada's needs through 2016. Nevada shares with California these interim surplus supplies and therefore are vitally concerned that California meet its milestone targets to ramp down usage of Colorado River water. If California fails to do so, we will lose our assured water supply rights along with them. In other words, Nevada's water supply future is inextricably tied to what occurs in California.

For that reason, Nevada has a vested interest in the success of California internal efforts to conserve water such as the IID to San Diego transfer as well as to develop additional sources of supply for southern California. We understand the relationship between the Salton Sea issue and the IID-San Diego transfer and we are supportive of Rep. Duncan Hunter's bill, H. R. 2764, The Colorado River Quantification Settlement Facilitation Act. While there are certainly important details of the bill which need to be resolved, we support the overall premise of the bill to provide federal funding to assist with the Salton Sea environmental studies and other projects needed to ensure the success of that water transfer.

To the same end we support your efforts Rep. Calvert, along with those of Senator Dianne Feinstein to pass a CALFED authorization bill providing for funding for water development projects throughout California. These projects will help California reduce its over dependence upon the Colorado. Nevada is not going to presume to tell Californians which CALFED water projects to build or not to build, that is up to you to fight that out amongst yourself.

Hansen Amendment

During the recent markup of the CALFED bill, the Chairman of the Resources Committee, Representative Hansen of Utah attached an amendment which statutorily requires that after the fifteen year period covered by the interim surplus criteria, the Secretary of the Interior must default to a conservative "70-R" operating plan for the Colorado River each year thereafter. The Hansen amendment, while well meaning, is a very dangerous precedent. The State of Nevada strongly believes that the annual operating plan for the Colorado River should be developed in an open process among the seven basin states working cooperatively with the Secretary and other interested parties. This is a tried and true process which has resulted in significant and positive operating changes to meet future needs while doing so in harmony with the Law of the River.

With only 300,000 acre feet of Colorado River entitlement, Nevada has learned the importance of working with our sister states to find river management solutions. The Arizona groundwater banking plan and the interim surplus criteria were achieved by good faith, state based negotiations. By locking into federal law a single, one size fits all operating plan that maximizes storage in basin reservoirs, the Hansen amendment would put an end to these creative state based solutions.

The Hansen amendment returns the Colorado River wars to the Halls of Congress. The other basin states, especially California have necessarily felt the need to respond to the Hansen amendment with legislative

amendments of their own. This is most unfortunate. Nevada strongly believes Congress should let the Seven Basin states determine how to operate the Colorado River for the benefit of all.

Conclusion

In conclusion, Nevada's water future looks far more secure today than it did ten years ago. This is the result of some significant achievements brought about by the seven basin states working together along with a supportive Interior Department. There is more to do. California has just begun its difficult task of conserving and finding enough water to meet its needs. We face significant and important environmental challenges such as the endangered fishes recovery program, finding a practical and affordable Salton Sea solution and addressing the international consequences associated with the Mexican Delta. I am confident in our ability to find more innovative solutions, working together, connected. Thank you again for the opportunity to testify.

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